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DRAFT REGIONAL HOUSING PLAN

INTRODUCTION

A regional housing plan provides a common framework and a guide for local governments to use in preparing their own housing plans. It also sets forth a positive role that can be performed by a regional planning agency, to assist and support local efforts to solve common problems.

In August 1975, the Association of Bay Area Governments approved Phase I of the Regional Housing Element. That document contained initial goals, objectives and policies which have been a part of ABAG's ongoing programs for the past two years. Phase I outlined three principal ways in which regional housing policies can be implemented.

1. as a voluntary association of city and county governments throughout the nine-county Bay Area, ABAG provides services to its member governments and citizen groups, on request, in planning and carrying out their housing programs;
2. as an advocate for the region's housing concerns to the State and Federal governments, ABAG supports legislation and administrative regulations that can help the region solve its housing problems;
3. as an areawide clearinghouse, ABAG reviews local and regional plans and applications for federal assistance, and comments on their consistency with regional policy.

The present document-- the Draft Regional Housing Plan -- revises and adds substantially to the objectives, policies and implementing actions outlined in Phase I. It draws on two years of experience working with the approved Phase I policies and further analytic work to estimate current and projected housing needs. It reflects the concerns of member governments and interested citizens expressed during a series of local public meetings held in August specifically for this purpose, as well as number of earlier conferences.

On October 18, 1977, the Regional Planning Committee conducted a public meeting at the Hotel Claremont to receive comments and recommendations on a Proposed Regional Housing Plan. Additional questions and suggestions were sent directly to ABAG, for consideration in revising the Proposed Plan. At its November 2 meeting, RPC reviewed these comments and approved the present document for regionwide distribution in preparation for the public discussion scheduled for the Executive Board meeting on December 15, 1977.

When the proposed Regional Housing Plan has been reviewed, revised and approved, it will constitute the major component of an areawide housing element as required by the 1974 Housing and Community Development Act and other State and federal regulations. In addition to the Plan, the completed housing element

will also include the subsidy distribution system, approved by ABAG's Executive Board on September 16, 1976, and the statistical data on which the Plan is based. A series of supplementary documents containing this material will be available to interested citizens and public officials on request. A list of supplementary documents follows this introduction.

In its Regional Plan 1970-1990, ABAG included the following very general housing goal:

To provide the opportunity for all persons in the Bay Area to obtain adequate shelter convenient to other activities and facilities, in neighborhoods that are satisfying to them.

Phase I of the Regional Housing Element identified these issues as the major ones to be addressed by a regional effort in housing:

- o the large and growing number of the region's households that cannot afford adequate shelter;
- o the inequities and discrimination in the housing market;
- o the impact of growth control efforts on the existing housing stock and on new development patterns; and
- o the inadequacy of available resources to meet the region's housing needs.

Four broad objectives are proposed for this Draft Regional Housing Plan:

1. To increase the housing supply in accord with the region's needs;
2. To maintain and improve existing housing so that it can better fill the region's needs;
3. To expand and conserve housing opportunities for lower income people; and
4. To eliminate all forms of illegal arbitrary discrimination from the housing market.

For each objective, a set of policies is proposed to guide individual actions and efforts to solve the region's housing problems. These policies are also criteria by which to assess performance in achieving stated objectives.

Implementation functions are essentially the same as those approved in Phase I, and many of the actions outlined are currently a part of ABAG's work program. As the proposed Plan moves through the current cycle of review and revisions, it is important to focus on these implementing actions, in order to set priorities to guide future work.

Underlying all of ABAG's plan implementation efforts must be an effective monitoring program. This should consist of collecting and analyzing information from all levels of government, private industry and voluntary organizations to maintain a current picture of the region's housing situation.

Recognizing that local governments play a key role in meeting the region's housing needs, the Plan outlines some of the ways in which their efforts could be most effective. Citizen groups, private industry and voluntary associations are also essential partners in regionwide efforts to solve housing problems. The Plan lists some of the principal ways that private efforts can be linked to the implementing actions proposed for ABAG and its member governments.

The Draft Plan sets quantified goals or targets for new housing construction, rehabilitation and additional subsidies required to assist lower-income people obtain suitable housing. These goals provide local governments with a regional context to guide their own planning efforts and should be useful in developing local quantified goals, as required by State and federal regulations. Once approved, they will be used by ABAG to implement the objectives and policies in the Regional Plan, and will be revised periodically in accord with new data on current trends.

Finally, it is important to note what this plan is and is not. This report concentrates on regional and local public policies and does not deal extensively with detailed matters of housing production and finance.

SUPPLEMENTARY DOCUMENTS

to the

Proposed Regional Housing Plan

Estimate of Housing Need - San Francisco Bay Area, 1970, October 1973.

Conserve: Toward Strategies for Conserving the Region's Housing Stock,
September 1974. (Includes Neighborhood Profiles Study)

Phase I of the Regional Housing Element, San Francisco Bay Area, August 1975.

Second Estimates of Bay Area Housing Need, 1970, September 1975.

Regional Planning: Threat or Opportunity to Minority Communities?, November 1976.

Provisional Series 3 Projections: Population, Housing, Employment and
Land Uses, San Francisco Bay Region, March 1977.

"Households Characteristics/Needs of Total Households and Special Group, San Francisco Bay Area (1970)" Draft Report, May 19, 1977.

"Housing Workshops, August 1 through 10, 1977," Memorandum, September 7, 1977,
Jean Safir to Files (Urban Alternatives Inc.).

"Goals Quantification Memos," memoranda September, 1977, Leonard Tom to files.

San Francisco Bay Area Housing Profile, 1970-1975, November 1977. (Draft, May 1977)

"Regional Housing Subsidy Distribution System, November 1977, Summary Report
and the following supplements:

Memoranda: April 27, 1976; June 29, 1976; September 16, 1976;*
October 4, 1976; January 17, 1977; January 20, 1977.

"Directory of Subsidized Housing in the San Francisco Bay Area."

"Assisted Housing, Bay Area Cities and Counties," Regionwide Tabulation
and Summary Analysis, by type of subsidy and by location.

"Survey of Housing Conditions," Regionwide Tabulation and Summary
Analysis, Aggregate of Local Housing Assistance Plans, Table 1.

"Housing Assistance Needs of Lower Income Households," Regionwide
Tabulation and Summary Analysis, Aggregate of Local Housing Assistance
Plans, Table 2.

"Contract Authority Required to Meet Current 1-Year Section 8
Goals," Regionwide Tabulation and Summary Analysis, Aggregate
Local Housing Assistance Plans, Table 3.

* The September 16, 1977, memorandum contains the regional housing subsidy distribution system as approved by Executive Board and as accepted by the by the federal Department of Housing and Urban Development. The policies and criteria contained in the approved system are included in the Regional Housing Plan.

OBJECTIVE 1

TO INCREASE THE HOUSING SUPPLY IN ACCORD WITH THE REGION'S NEEDS.

- through planning programs that identify development opportunities as well as constraints;
- by increasing the amount of private investment in housing construction;
- by revising and streamlining the permit review process of public agencies;
- through improved information about the region's changing population and housing needs;
- through strengthened public and private commitment to housing production.

POLICIES

1.1 Job/Housing Balance

New residential development should be located in or near areas that offer employment opportunities.

1.2 In-fill

New residential development should be encouraged in areas where public services and facilities are adequate to support added population and/or where sufficient improvements are already committed. It should be discouraged elsewhere.

1.3 Density

In order to conserve fiscal and natural resources, local general plans and zoning ordinances should be revised to provide for increased residential densities, where applicable and practical.

1.4 Design

New housing should be developed with good design and construction quality, compatible with surrounding residential areas, and should provide for the preservation of community values and a safe and healthy environment.

1.5 Vacancy

New housing construction activity should be sufficient to produce vacancy rates that provide for adequate mobility and choice, minimize over-crowding for all income levels and keep down the rate of housing cost inflation.

1.6 Environmental Safety

In order to protect housing investment and public safety and to keep down housing costs, new residential development should be discouraged in areas containing environmental hazards, unless adequate mitigating action is taken.

1.7 Redevelopment

Selective public and private rebuilding of existing urban areas should increase the housing supply in areas with good access to employment, services and facilities.

1.8 Public Incentives

All levels of governments should provide incentives to stimulate private housing development, consistent with local and regional policies, needs and goals.

1.9 Review Process

The review of development proposals by all levels of government should facilitate, rather than frustrate, residential construction, consistent with local and regional policies.

1.10 Mixed Development

New housing should be located close to needed commercial services and employment opportunities; large scale, exclusively residential developments should be discouraged in order to promote easy access to needed services and facilities; major commercial and industrial developments should be encouraged in conjunction with housing.

1.11 Security

The design of new housing and neighborhoods should help to decrease burglary, vandalism and other property-related crime.

1.12 Economic Development

New technology and innovative financing/development tools should be linked to public responsibility for manpower, economic development and community development efforts, in order to make housing and homeownership affordable to lower and middle income people.

IMPLEMENTATION FUNCTIONS

Service

- 1a - ABAG will advise and assist member governments in a joint effort to revise the procedures and fees required in development reviews, to reduce the time and costs involved.
- 1b - ABAG will issue periodic reports, conduct conferences and workshops, and seek other vehicles to disseminate useful information to stimulate housing development consistent with the region's needs.
- 1c - ABAG will give technical assistance on request to member governments in developing and implementing local housing elements consistent with regional policies.

- 1d - ABAG will advise and assist member governments in devising and adopting financial and legal mechanisms that would increase the flow of public and private money into housing development.
- 1e - ABAG will advise and assist developers, non-profit sponsors and others in efforts to produce housing in accord with regional policies.
- 1f - ABAG will work with State and local planning efforts to design and implement zoning and other land use regulations that encourage the development of new housing for all economic segments near employment opportunities.
- 1g - ABAG will assist prospective developers to identify buildable sites for new residential or mixed use developments in areas that are consistent with local and regional policies.
- 1h - ABAG will serve as a clearinghouse of information on affirmative land use measures, tax provisions, and other types of ordinances and regulations that could help stimulate increase of the region's housing supply.

Advocacy

- 1i- ABAG will support applications for all types of federal and/or State assistance from communities which have plans and/or programs designed to meet housing needs.
- 1j - ABAG will support a Statewide Housing Plan and program which expresses a clear commitment by the State to support and assist local and regional efforts to meet housing needs.
- 1k - ABAG will urge the State to adopt and implement housing element guidelines that allow for local variations in fiscal capacity and market constraints.
- 1l - ABAG will support State guidelines for local housing elements which encourage local governments to provide for conservation and expansion of the housing supply in accord with local and regional policies, the availability of programs and financing.
- 1m - ABAG will explore and recommend tax reforms that would stimulate housing production in accord with approved local and regional housing policies.
- 1n - ABAG will support and assist efforts to achieve greater consistency among federal and State agency requirements for local and regional housing planning.

Review

- 1o - In reviewing grant applications, local general plans and housing elements, ABAG will identify and question any that do not contain explicit strategies and actions designed to increase the housing supply consistent with regional housing policies.
- 1p - In reviewing applications for federal assistance, ABAG will comment on whether the applicant has adopted a housing element which contains a firm and realistic commitment to increase the housing supply consistent with regional housing policies.

MONITORING

The collection and analysis of information on housing activity throughout the Bay Area would assist ABAG, its member governments and private interests in efforts to expand the region's housing supply as needed. These are some of the types of information that would be useful:

- current population projections and periodically updated estimates of housing need for the region as a whole and appropriate subareas;
- status of housing planning and implementation program of local governments;
- housing market information on type, density, size, location and cost of new developments;
- current demographic trends, including household size and composition, income levels, etc.;
- changes in employment distribution and commuting patterns;
- changes in tax laws and other regulations that affect housing development;
- improved information on trends in housing stock and occupancy patterns; e.g., vacancy rates, conversions, demolitions, etc.

ABAG'S MEMBER GOVERNMENTS

In order to increase the region's housing supply in accord with its needs, these are some of the actions local governments could take:

- The development review process should be streamlined to remove unneeded obstacles and delays, and thereby reduce overall production costs.
- Land use regulations, including zoning ordinances, should be revised to permit and encourage housing development at higher densities near employment centers and in areas with adequate services and facilities.

- Local housing elements should be adopted which contain explicit strategies and actions directed to the production of housing in accord with regional policies.
- Employment growth should be discouraged in areas that already have an excess of jobs over housing.

OTHER ACTIONS

Citizen groups, private industry and voluntary associations could help achieve an increased housing supply in the following ways:

- Work with local governments to streamline the development review process.
- Recommend changes in land use controls and tax laws that would stimulate increased housing production.

OBJECTIVE 2

TO MAINTAIN AND IMPROVE EXISTING HOUSING
SO THAT IT CAN BETTER FILL THE REGION'S
NEEDS.

- by increasing public and private investment in existing residential areas;
- by strengthening local code enforcement efforts;
- by upgrading the quality of the declining housing stock and preventing future deterioration.

POLICIES

2.1 Expanded Efforts

Housing conservation and rehabilitation efforts should expand regionwide, using both public and private resources.

2.2 Cost/Income Balance

Housing conservation and rehabilitation should cause minimal increases in housing costs for low-and moderate -income people, both renters and homeowners, either as a direct result of the cost of improvements or as an indirect result or neighborhood upgrading.

2.3 Public Resources

Housing improvement programs should be supported by housing subsidies, improved public services and capital improvements where appropriate.

2.4 Anti-Redlining

Arbitrary restriction of loan funds or property insurance in selected residential areas--"red-lining"--can cause decline of valuable housing and neighborhoods and, therefore, should be countered by public and private actions to encourage lending in older residential areas.

2.5 Energy

Maximum energy efficiency of homes in the Bay Area is a desirable condition and should be supported as an important facet of improving housing quality.

2.6 Neighborhood Quality

The improvement and maintenance of sound residential neighborhoods should be encouraged regionwide because they are important factors in housing quality.

2.7 Socio-Economic Conditions

Increased employment and educational opportunities contribute to housing and neighborhood quality and should be available to residents of lower income neighborhoods.

2.8 Security

Rehabilitation and conservation of housing and neighborhoods should include efforts to help decrease burglary, vandalism and other property-related crime.

2.9 Seismic Hazards

Residential buildings with structural seismic hazards should be reinforced to provide safety for the residents .

2.10 Mixed Development

In order to promote access to employment, commercial services and other needed facilities, existing housing in mixed use areas should be preserved wherever practical and appropriate.

2.11 Supportive Services

Government programs for housing conservation should include provisions for counseling and referral services as necessary to respond to the financial and other problems of the owners and tenants associated with rehabilitation efforts.

2.12 Monitoring

The quality of the housing stock and neighborhood environments should be protected by systematic monitoring of housing and neighborhood conditions in order to identify and remedy deficiencies before they become serious problems.

2.13 Displacement

Housing conservation programs should be planned to minimize displacement as the result of code enforcement or resulting increases in rent or housing costs.

2.14 Relocation Assistance

Housing conservation programs should make realistic estimates of the displacement they will cause and provide relocation assistance for those displaced.

2.15 Economic Development

Housing rehabilitation and neighborhood conservation efforts should be coordinated with and supported by economic development and job training programs.

IMPLEMENTATION FUNCTIONS

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|-----------------|---|
| Service | <ul style="list-style-type: none">2a - ABAG will assist member governments and citizen groups in designing and implementing housing conservation programs.2b - ABAG will serve as a clearinghouse for information on fiscal, administrative, and legal tools useful in housing conservation and rehabilitation programs.2c - ABAG will issue periodic reports, as appropriate, on useful innovations and new resources that can be applied in housing conservation and rehabilitation programs.2d - ABAG will sponsor conferences, seminars, and research that will bring the various participants in housing conservation efforts together to exchange ideas, resolve difference, and develop new solutions to problems.2e - ABAG will assist in developing programs to train, or to improve the skills of, persons engaged in housing conservation programs and related support services. |
| <u>Advocacy</u> | <ul style="list-style-type: none">2f - ABAG will support revisions in tax regulations at all levels of government to provide greater incentives for private investment in maintaining and improving existing housing.2g - ABAG will encourage use of federal and state subsidies to support housing conservation and rehabilitation programs:<ul style="list-style-type: none">- to help keep improved housing within the financial means of the area's residents;- to minimize dislocation;- to stimulate private investment;2h - ABAG will support stronger and more effective legislation against arbitrary "red-lining". |

- 2i - ABAG will encourage the use of housing codes -- rather than building codes -- as the standard for inspection of existing housing.
- 2j - ABAG will support the use of assessment practices that allow for housing improvement that brings a structure up to basic code standards without increasing the assessed value of the structure.
- 2k - ABAG will urge that Federal and state programs for financing housing rehabilitation include funds for the local administration of those programs.
- 2l - ABAG will urge that Federal and state programs to finance housing rehabilitation include funds for relocation of occupants displaced because of housing code enforcement or because the resulting increase in rents or housing costs exceeds their means.

Review

- 2m - In its review of local housing elements and Community Development Block Grant Applications, ABAG will identify and question those that do not contain programs to maintain and improve existing housing.
- 2n - In its review of Environmental Impact Reports and Environmental Impact Statements, ABAG will identify and question any proposed action that could cause the decline of housing and neighborhood quality.
- 2o - In its review of applications for housing and community development funds, ABAG will comment on whether they contain realistic estimates of residential displacement which will occur as the result of public acquisition or code enforcement, including the needs of residents who cannot afford the increases in rents or housing costs caused by the improvements.

In its review of applications for housing and community development funds, ABAG will comment on whether there is provision for relocation assistance to residents displaced as a result of activities funded.

- 2p - In its review of applications for housing and community development funds, ABAG will comment on whether an area where housing conservation activities are proposed has public improvements, facilities and services adequate in quality and quantity to meet the needs of the residents. Where there are known deficiencies in this regard, concurrent efforts should be scheduled to bring public expenditures in the area up to a level that assures this adequacy.

MONITORING

Many of the components of the monitoring function already described would support ABAG's efforts to meet his objective as well. These include information in the following areas:

- the amount of housing assistance actually being distributed to Bay Area communities, especially to support housing conservation and rehabilitation programs.
- current estimates of the age and quality of the region's housing stock.
- the relative effectiveness of local, state, and federal programs in conserving and upgrading existing housing.
- the impact of rehabilitation programs on the price of housing both rehabilitated and in the same neighborhood.

ABAG'S MEMBER GOVERNMENTS

Local governments play a key role in improving and maintaining the region's housing supply:

- Local governments should expand programs to monitor housing conditions, enforce housing codes, and conduct effective programs to conserve housing and neighborhoods.
- Capital improvements and needed public services should be committed, where appropriate, to support and encourage housing conservation and rehabilitation efforts.
- Code enforcement programs should develop ways to minimize inconveniences and financial hardships imposed on owners and renters when housing code violations are corrected.

- Local public agencies, working with voluntary associations and private interests, should provide counseling to low- and moderate income property owners and tenants on housing improvement requirements and resources.
- Public funds should be placed in lending institutions willing to invest in older residential areas of the region.

OTHER ACTIONS

The maintenance and improvement of the region's housing supply requires full participation by the entire spectrum of private interests: tenants, owners, landlords, lenders, builders, neighborhood associations, etc. These are some specific ways in which private efforts can be most effective:

- Institute pre-sale inspection of existing housing as a standard industry policy, to identify major physical problems and clear up hazardous conditions.
- Trade unions should work with local governments to develop housing conservation and rehabilitation programs which increase employment opportunities.
- In new construction as well as rehabilitation work, avoid those defects which later cause costly decline in housing quality, including inadequate design standards and faulty materials, equipment, or workmanship.
- Form special loan pools and mortgage insurance funds to increase investment in existing neighborhoods and encourage investment in high risk areas.
- Examine contemporary building standards and housing codes to see if revisions are needed to ensure long-term housing quality and maximum energy efficiency.
- Institute programs to increase the supply and competence of personnel trained to conduct housing conservation programs and related support services.

OBJECTIVE 3

TO EXPAND AND CONSERVE HOUSING OPPORTUNITIES FOR LOWER INCOME PEOPLE.

- through changes in the Federal and State subsidy programs, to make them better serve the needs of this region;
- through cooperation between local governments and the private sector in expanding use of housing subsidies;
- by implementing and improving the Regional Housing Subsidy Distribution System*;
- by increasing the amount of federal and state subsidies available to the region as a whole.

POLICIES

3.1 Local Control

Housing assistance funds should be distributed among local areas within the Bay Area according to policies and procedures devised jointly by ABAG's member governments.

3.2 Regional Goals and Local Targets

A regional housing subsidy distribution system should set regional targets for assisted housing; each county and large city should be assigned a share of the region's total that is large enough to attract prospective developers.

3.3 Equity

Housing assistance funds should be distributed to give lower income people in all parts of the region equal opportunity to obtain suitable and affordable housing.

*A regional housing subsidy distribution system was approved by ABAG's Executive Board in September 1976 and was accepted by HUD as a basis for distributing housing subsidies in the San Francisco Bay Area. The policies and criteria contained within the distribution system are included in this Plan. A summary report and additional supplements are listed on page 6 and are available on request.

3.4 Need

Housing assistance funds should be distributed to reflect the relative need for assistance in localities throughout the region.

3.5 Access to Employment

Housing assistance funds should be distributed to give lower income people greater opportunity to find suitable and affordable housing near places of employment.

3.6 Anti-Impaction

Housing assistance funds should be distributed to:

- (a) increase the number and types of communities in which lower income people can obtain suitable and affordable housing,
- (b) avoid concentrating assisted housing in areas that already contain a substantial share of the region's assisted housing, and
- (c) assist in the stabilization or revitalization of neighborhoods undergoing conservation or rehabilitation of housing for lower income households.

3.7 Local Priorities and Goals

Each jurisdiction should develop its own program for community development and housing assistance, and set its own goals and priorities, based on local knowledge of need, market conditions and general feasibility, and guided by regionally set targets.

3.8 Reallocation

Housing subsidies that are unused as initially targeted to a particular Bay Area community should be available to other communities in the region who are applying for more assistance.

3.9 Increased Assistance

The federal and state governments should greatly expand the amount of assistance funds to meet the housing needs of lower income people in the San Francisco Bay Area.

3.10 Home Ownership

Low income home ownership should be encouraged as a means of expanding housing opportunities for lower income persons and as a means of improving and maintaining sound housing and residential neighborhoods.

3.11 Conservation

Housing that is presently within the price range of lower income people should be preserved wherever possible and practical.

- 3h - ABAG will urge the State of California to incorporate the Regional Housing Subsidy Distribution System into the procedures used by its housing agencies to review and approve applications for subsidies.
- 3i - ABAG will urge the federal and state governments to expand and improve housing subsidy programs and provide better incentives to stimulate private investment in lower income housing.
- 3j - ABAG will support efforts of local communities and housing agencies applying for housing and community development assistance, where they demonstrate a commitment to expanding housing opportunities for lower income people consistent with regional policies.
- 3k - ABAG will advocate federal and state laws that would expand the supply of housing for lower income people; e.g., enabling legislation to permit local governments to require that a percentage of new housing be affordable to lower income people or tax reforms to stimulate investment in housing for lower income people.
- 3l - ABAG will support efforts to expand and conserve home-ownership opportunities for lower income persons.
- 3m - In accord with ABAG resolution 7-73, ABAG will continue to advocate repeal of California Constitution Article XXXIV, requiring referendum approval before the construction or purchase of low-income housing by a public entity.
- 3n - ABAG will support applications for housing assistance where local governments have set goals higher than regionally set targets, provided that:
 - jurisdictions with lower than the regionwide average percentage of subsidized housing should have first priority in filling requests for additional subsidies; and
 - the increased assistance will be used to expand housing opportunities for lower income people in areas where they had previously been excluded due to housing cost or discrimination; or

IMPLEMENTATION FUNCTIONS

Service

- 3a - ABAG will assist member governments and citizens groups, on request:
 - in formulating community development and housing assistance programs:
 - in formulating local subsidy distribution systems suitable to their own needs and making local systems consistent with the regional system;
 - through periodic reports on the actual distribution of housing subsidies and households receiving assistance;
 - through information on current housing programs, laws, and regulations.
- 3b - ABAG will serve as a clearinghouse for information on financing and development of ideas to increase housing opportunities for lower income people; e.g., manufactured housing, joint ownership, tax reform.
- 3c - ABAG will work with member governments, citizen groups, developers, and others in the public and private sector to improve and update the Regional Housing Subsidy Distribution system and to increase housing opportunities for lower income people.
- 3d - ABAG will assist local housing authorities to devise inter-jurisdictional agreements to expand geographic choices for lower income people qualifying for federal housing assistance.
- 3e - ABAG will disseminate to member governments and to interested citizens information on the regional housing subsidy distribution system and the procedures for its implementation.

Advocacy

- 3f - ABAG will apply for increased housing assistance from federal and state agencies, on behalf of member governments and the region as a whole, consistent with the approved subsidy distribution system.
- 3g - ABAG will urge the federal Department of Housing and Urban Development to continue using the Regional Subsidy Distribution System as the mechanism for disbursing housing subsidies in this region.

- the increased assistance will be used to support rehabilitation and conservation efforts to serve lower income households.

Review

- 3o - ABAG will review the following for consistency with regional housing policies and the Regional Housing Subsidy Distribution System:
 - Community Development Block Grant Applications;
 - Housing Assistance Plans;
 - Sponsor/Developer Applications for Insurance or Subsidies;
 - Housing and other General Plan Elements;
 - Plan and project EIRs.
- 3p - In its plan and project review activities, ABAG will identify and question every proposed action that would cause a decrease in housing opportunities for lower income people.

MONITORING

These are some of the more specific types of information that would support efforts to expand housing opportunities for lower income people:

- the types of assistance programs available at the state and federal levels;
- regulations and procedures issued for these programs;
- the applicability of current programs to specific problems in Bay Area communities;
- the extent to which available programs are being used in the Bay Area, and their relative effectiveness;
- the amount of housing assistance--in dollars and/or units--actually being distributed in each Bay Area community and the number of households receiving assistance;
- the number of housing units that have been built and improved with the assistance of federal and state subsidies;
- the problems and successes of communities outside the Bay Area in using housing assistance programs;
- the experience of federal and state agencies in administering current programs and efforts to devise new programs.

ABAG'S MEMBER GOVERNMENTS

Local governments play a key role in expanding housing opportunities for lower income people. Their efforts should include the following:

- Housing assistance needs should be realistically addressed in local housing elements, housing assistance plans, and community development programs.
- Local ordinances, administrative codes, and procedures should be reviewed and revised to remove any obstacles that would unnecessarily inhibit the use of housing assistance programs.
- Local governments should consider innovative zoning mechanisms to permit and encourage expansion of housing for low and moderate income people; e.g., density bonuses, planned unit developments, cluster zoning ordinances.
- The regional housing subsidy distribution system should be used as a guide for local planning efforts.
- Local governments should support ABAG's efforts to seek increased federal and state housing subsidies on behalf of its member governments and the region as a whole.
- Local governments should advocate changes in federal and state subsidy programs, to improve their effectiveness in meeting local needs.
- Local governments should oppose ordinances, actions, or projects that would unduly restrict the potential supply of housing for lower income people, that would add unnecessarily to its cost, or that would make only high-priced housing feasible.
- Local governments should support Article XXXIV referenda to permit the construction or purchase of low-income housing by a public entity.

OTHER ACTIONS

Citizen groups, private industry, and voluntary associations all are essential partners in the regionwide efforts to expand housing opportunities for lower income people. Here are some of the ways in which private efforts can be most effective:

- Find out about housing assistance programs and use those that are suitable.
- Recommend changes in subsidy programs and the regional subsidy distribution system.

- Contribute information and ideas that would make the regional housing subsidy distribution system more effective and better implemented.
- Recommend ways in which local, state, and federal laws, regulations, and policies should be changed to further expand housing opportunities for lower income people.
- Work with public and private agencies to devise legal and financial mechanisms to increase the flow of private investment into housing for lower income people; e.g., a high risk loan pool could be formed jointly by a number of lending institutions and with public support, to increase mortgage funds available for lower income people.
- Support efforts to increase home-ownership opportunities for lower income people, such as through housing cooperatives.

OBJECTIVE 4

TO ELIMINATE ALL FORMS OF ILLEGAL OR ARBITRARY DISCRIMINATION FROM THE HOUSING MARKET.

- through increased public awareness of both deliberate and unintentional forms of discrimination;
- through more effective legal and administrative mechanisms to enforce laws against discrimination;
- by developing housing assistance programs to serve the special design requirements of selected groups* subject to discrimination;
- by increasing minority participation in all sectors of housing planning, production, finance and law.

POLICIES

4.1 Illegal Discrimination

Housing discrimination based on race, color, national origin, sex and marital status is illegal and should be eliminated from the Bay Area Housing market.

4.2 Housing/Job/Education

Housing discrimination on any basis reinforces discrimination in other areas; such as employment and education, and therefore should be eliminated in order to expand opportunities and protect the constitutional rights of all.

4.3 Public/Private Responsibility

Anti-discrimination legislation should be reinforced by public and private efforts including monitoring and education.

4.4 Special Design Needs

Equal housing opportunities for all requires special attention to design requirements to fill the housing needs of certain population groups, such as the elderly and handicapped.

4.5 Minority/Lower Income Linkage

Expansion of housing opportunities for lower-income people can also expand choices for minorities, and therefore should be supported as a strategy to combat housing discrimination.

* For example, households consisting of working mothers with young children or physically handicapped persons.

4.6 Household Composition

Housing discrimination affects many groups that are not racial or ethnic minorities, such as families with children, students, elderly, handicapped, and families where the mother is head of the household. These forms of discrimination are reported to be increasing throughout the region; Extensive public and private efforts are required to combat them effectively.

IMPLEMENTATION FUNCTIONS

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|-----------------|--|
| <u>Service</u> | 4a - 4a - ABAG will provide technical assistance and information, on request, to member governments, citizens groups and business interests devising programs to combat discrimination. |
| | 4b - ABAG will encourage citizen participation in housing planning and implementation activities, both at local and regional levels. |
| | 4c - ABAG will collect current studies which document the extent of housing discrimination against special groups throughout the region, and will make these available to agencies and groups seeking to combat discrimination. |
| | 4d - ABAG will compile and distribute a regionwide directory of public and private fair housing agencies operating in all sectors of the region. |
| <u>Advocacy</u> | 4e - ABAG will help to disseminate information on the kinds of discrimination that are illegal, the existing State and federal laws that prohibit discrimination, and the enforcement mechanisms available to people who encounter discrimination. |
| | 4f - ABAG will support applications for all types of public grants from communities with effective programs to combat discrimination in housing. |
| | 4g - ABAG will urge that local, State and federal anti-discrimination laws be strengthened and enforced; e.g. by giving local governments increased power |
| | 4h - to assist State and federal agencies in investigating and enforcing anti-discrimination laws. |
| | ABAG will support increases in the amount of public and private assistance funds committed to enforcing anti-discrimination laws. |

- 4i - ABAG will support legislation to end "red-lining" of low-income minority and integrated neighborhoods, and to increase the flow of public and private investment into these areas.
- Review 4j - In reviewing local plan elements and grant applications, ABAG will comment on whether the jurisdiction has estimated the extent of housing discrimination and has designed effective programs to combat it.
- 4k - In reviewing and developing regional plans, ABAG will comment favorably on any actions that could expand housing opportunities for minorities and low income residents and will question any that would tend to reinforce discriminatory patterns.

MONITORING

The following types of information would be particularly useful in support of efforts to end housing discrimination:

- current estimates of the numbers and types of households experiencing discrimination either through restricted occupancy or purchase or through restricted ability to obtain financing;
- the effectiveness of local, State and federal laws and regulations to combat discrimination and expand housing opportunities for minorities of all types;
- the availability of special programs to help meet the housing needs of minorities of all types.

ABAG'S MEMBER GOVERNMENTS

Local governments can participate in many ways in a regionwide effort to combat housing discrimination; these are but a few:

- Local general plans and housing elements should assess the extent of discrimination in the local housing market and specify strategies and actions to be taken to eliminate such discrimination.
- Local governments should support responsible effort by citizens to increase their participation in housing planning and implementation.
- Local governments should give financial support to responsible voluntary groups conducting education and monitoring programs to combat housing discrimination.

OTHER ACTIONS

Private efforts to end housing discrimination should include the following types of activities:

- Increase participation of minorities in all sectors of housing construction, financing and management.
- Include affirmative marketing and sales programs in all residential development efforts.
- Direct loan funds into lower-income and/or minority and integrated neighborhoods, to reverse the effects of "red-lining".

QUANTIFIED GOALS FOR CONSTRUCTION
REHABILITATION, AND HOUSING ASSISTANCE*

Quantified goals are proposed for housing development and assistance for the period between 1975 and 1985. There are three forms in which these are presented: A) Construction of housing units to accommodate anticipated growth; B) Rehabilitation of substandard housing units; and C) Bay Area households' need for assistance. A summary of the regionwide figures is presented in the table below:

Regionwide Summary of Quantified Housing Goals

	<u>1975-85 Total</u>	<u>Annual Average</u>
Units To Be Constructed	440,100	44,100
Units To Be Rehabilitated	156,520**	19,600
Added Households To Be Assisted	537,300**	67,000

Quantified goals provide local governments with a regional context for their consideration in developing local programs and proposals. They are targets that express the regional perspective on the important questions of residential growth, housing quality, and the need for housing assistance. They will be used in implementing approved regional objectives and policies and will be revised as new data on current and projected trends becomes available.

ABAG's target figures may differ from estimates by other agencies, but that reflects differences of purpose and assumptions adopted by various organizations. These figures are not, in and of themselves, predictions of the future. They are based primarily on ABAG's projections of household and population growth.

* For a full description of the methods used in developing these goals, see "Goal Quantification Memos," Staff memoranda September 1977, Leonard Tom to files.

** These targets are based on 1977 rather than 1975 estimates; they represent eight-year rather than 10-year totals.

The ten-year goal for the construction of new housing units is based on the difference between the number of housing units needed in 1985 and the number of housing units that existed in 1975 with allowances for a vacancy factor and replacement of units that will be demolished during the period. The overall vacancy factor, which provides a degree of mobility in the housing market, was assumed to be 5.0% in all counties. The projected "loss" of housing in the region was assumed to be 42,600 units--a figure based on past trends of planned demolition.

By 1985 it is currently estimated that the Bay Area's population will reach 5.3 million people. The projections assume a declining average household size, slightly increased migration rates and continued economic growth consistent with national trends. The projections' assumptions also include local land jurisdictions taken in 1976. A summary of the other factors used in the quantification of each goal is included in the following pages.

A. Construction of New Housing Units

In 1975, there were about 1,889,000 housing units in the Bay Area. It is estimated that the region's housing stock will have to increase to almost 2,287,000 units in 1985 to accommodate expected growth. To accomplish that goal, an additional 440,000 new housing units will have to be built or developed through the conversion of existing structures between 1975 and 1985 -- an average of 44,000 units per year. It should be noted that the "average" can be attained through varying levels of production from year to year.

This distribution of the 1975-1985 goals, county by county, is presented in the following table:

PROPOSED HOUSING CONSTRUCTION GOALS, 1975-1985

<u>County</u>	<u>Existing Units 1975*</u>	<u>Units to be Needed in 1985</u>	<u>Constr. Goal 1975-1985</u>	<u>Annual Average</u>
Alameda	423,890	504,590	95,720	9,572
Contra Costa	217,045	287,900	75,920	7,592
Marin	84,160	105,110	21,670	2,167
Napa	33,868	37,230	3,880	388
San Francisco	316,987	319,300	12,830	1,283
San Mateo	219,464	254,790	38,110	3,811
Santa Clara	423,904	544,670	124,540	12,454
Solano	67,263	92,470	27,140	2,714
Sonoma	102,879	140,930	40,290	4,029
TOTAL	1,889,460	2,287,000	440,100	44,010

*Source: California State Department of Finance, estimates for 1-1-76

B. Rehabilitation of Existing Housing

Currently there are 137,000 housing units in the Bay Area considered by local governments to be in "substandard" physical condition. Of that total, approximately 101,000 units are estimated to be "suitable for rehabilitation." If the current trends persist, it can be anticipated that by 1985, over 206,000 units will reach the "substandard" category, of which 156,000 will be suitable for rehabilitation.

If the region is to eliminate substandard housing by 1985, an average of 19,600 units would have to be rehabilitated each year between now and then. An additional average of 6,200 units will have to be replaced or rebuilt each year to make up for the "loss" of units that are substandard but unsuitable for rehabilitation.

More than 90% of the existing housing stock is in "standard" condition, but will need continuous maintenance and repair if it is to remain in safe, habitable condition. Government must also insure that adequate public resources are committed to inspection activities, neighborhood facilities and services, financial assistance and consumer education to maintain a social and economic environment that will provide adequate incentive to maintain the region's housing stock in good repair.

PHYSICAL CONDITION OF THE HOUSING STOCK 1977-1985

<u>County</u>	1977*		1985		
	<u>Substandard Units</u>	<u>Suitable for Rehab.</u>	<u>Substandard Units</u>	<u>Suitable for Rehab.</u>	<u>Unsuitable for Rehab.</u>
Alameda	51,798	41,930	68,370	55,340	13,030
Contra Costa	9,308	8,204	18,720	16,500	2,220
Marin	2,929	2,344	5,070	4,050	1,020
Napa	732	566	1,190	920	270
San Francisco	35,470	21,480	39,540	23,940	15,610
San Mateo	6,276	6,080	12,820	12,420	400
Santa Clara	19,465	17,604	43,110	39,980	4,130
Solano	3,299	2,206	5,510	3,680	1,820
Sonoma	<u>8,066</u>	<u>457</u>	<u>12,130</u>	<u>690</u>	<u>11,440</u>
REGION TOTAL	137,343	100,871	206,460	156,520	49,940

*Source: 1977-78 Housing Assistance Plans, San Francisco Bay Area Cities and Counties

In 1985 goals are based on expected changes in size and age of the region's housing stock and on the assumption that trends in the decline of housing quality will continue as they are currently reflected in local Housing Assistance Plans.

C. Housing Assistance Needs

Current estimates by local governments indicate there are 443,000 households in the Bay Area needing some form of housing assistance to keep their housing costs within a reasonable portion of their income. Only 62,000 households are currently receiving assistance through a variety of existing government subsidy programs. If the current trends continue (and this assumes no increase in the relative severity of housing problems) the total number of households that could be expected to require assistance may reach 600,000 by 1985. In order to accommodate that need, the Bay Area would have to get enough new resources to assist an average of 67,000 additional households each year between now and 1985.

Clearly this is not a realistic goal, without a substantial reordering of national priorities. Nor is it necessarily a desirable goal, for more than one quarter of the region's households to be dependent on public subsidies in order to obtain adequate shelter.

These figures do, however, reflect the aggregate regionwide picture of all local estimates of housing assistance needs.

SAN FRANCISCO BAY AREA - HOUSING ASSISTANCE NEEDS, 1977-1985

1977

1,792,269 Total Households in the Bay Area*
62,500 Households Currently Receiving Assistance
443,300 Additional Households Needing Assistance*

1985

2,172,000 Total Households in the Bay Area (ABAG projection)
62,534 Households Currently Receiving Assistance (1977)
537,300 Additional Households Needing Assistance

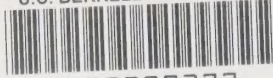
67,000 Average Number of Additional Households That Will
Need Assistance Each Year 1977-1985

* 1977-78 Housing Assistance Plans, San Francisco Bay Area Cities and Counties

The 1977 figures represent data compiled by local government in Housing Assistance Plans and ABAG's monitoring of current activity in the use of State and Federal programs providing assistance to lower-income people. For 1985, it is assumed that the relative severity of need for assistance will not change as the number of households in the region increase. Recent trends in housing costs and incomes indicate that the 1985 figures are quite conservative. A sub-regional totals would be based on the status and use of ABAG's Housing Subsidy Distribution System.

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